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OFFICE OF PETITIONS

In re Application of
Rhee, et al
Application No. 09/763,589
PCT No.: PCT/KR99/00690
Int. Filing Date: 17 November 1999
Priority Date: 19 July 1999
Attorney's Docket No. 2048-3-02
For: METHOD AND DEVICE FOR
GENERATING VOICE/TEXT/IMAGE
COMMERCIAL INFORMATION
RINGBACK TONE DURING
COMMUNICATION WAIT

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: DECISION ON PETITION
: TO VOID ASSIGNMENT
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The instant application has been forwarded to the Office of Patent Legal Administration (OPLA) for a decision on a May 17, 2004 PETITION ... TO VOID ASSIGNMENT. For the reasons discussed below, the petition is taken as a petition under 37 CFR 1.181(a)(3) for supervisory review of: (1) the recording of an assignment document, and (2) the revocation of the initial (inventors') power of attorney and granting of a subsequent (assignee's) power of attorney.

OPLA is charged with the responsibility of resolving conflicts in assignments where establishment of the appropriate assignee is required to determine which party may take action pursuant to 37 CFR 3.71 to conduct prosecution of an application and appoint a power of attorney and thereby also establish a correspondence address. See MPEP 324, IX Conflicting 37 CFR 3.73(b) Statements. While the referred to Manual section specifically address conflicts between two or more statements under 37 CFR 3.73(b), it is equally applicable to a conflict between inventors and an assignee as to who is entitled to conduct prosecution. Accordingly, OPLA will decide the present Petition to Void Assignment.

The petition to void assignment is dismissed, for the reasons set forth below.

I. Review of Salient Facts

The instant national stage 35 U.S.C. 371 application papers were submitted on February 23, 2001, and included a Declaration and Power of Attorney pursuant to § 1.63 signed by the two named inventors: Hyoung Chan Rhee (Rhee) and Jong Su Hong (Hong). The inventors provided a power of attorney in-part to Jonathan Y. Kang of Lee & Hong P.C..

On June 30, 2003, a REVOCATION OF PRIOR POWER OF ATTORNEY AND POWER OF ATTORNEY was submitted by the assignee withdrawing the previous power of attorney (which was granted by the inventors via the 37 CFR 1.63 declaration of February 23, 2001) and granting a *new* power of attorney to include Wen Liu of LIU & LIU.

On November 18, 2003, a first Office action on the merits was mailed, setting a 3 month shortened statutory period for reply. The first Office was mailed to the correspondence address as directed by the original power of attorney of February 23, 2001 of the inventors and not as directed by the subsequent June 30, 2003 revocation and new power of attorney of the assignee.

On May 17, 2004 the instant PETITION ... TO VOID ASSIGNMENT was submitted, the apparent purpose of which is to void the subsequent power of attorney granted by the assignee and thereby reinvigorate the initial power of attorney granted by the inventors.¹

Belatedly, the Office on May 18, 2004, based on the June 30, 2003 Revocation, mailed a NOTICE REGARDING CHANGE IN POWER OF ATTORNEY noting the loss of power of attorney to the practitioners in the office of Lee & Hong (appointed by the inventors) and mailed a NOTICE OF ACCEPTANCE OF POWER OF ATTORNEY to practitioners in the office of Liu & Liu (appointed by the assignee).

II. Petition to Void Assignment

The June 30, 2003 revocation and new power of attorney was made pursuant to 37 CFR 3.71, which permits the assignee of an application to conduct prosecution via appointment of a power of attorney, and change the correspondence address. An assignee seeking to conduct prosecution pursuant to § 3.71 must comply with 37 CFR 3.73(b), which requires that the assignee be established by documentary evidence of the chain of title from the original owners, i.e., the inventors, to the assignee seeking to conduct prosecution. The documentary evidence may be either a copy of the relevant assignment(s), or a reference to the reel(s) and frame number(s) where the assignment(s) are recorded in the Office.

The June 30, 2003 paper included:

1. a copy of an executed assignment (initial assignment) from the two original named inventors, Rhee and Hong to RINGFREE CO., LTD,² and

¹ The instant petition, in the alternative or in addition to the voiding of the subsequent power of attorney, requests voiding of the assignment from the two inventors to Ringfree Company Limited. Petition at page 1, first paragraph, second sentence.

² The assignment has been subsequently recorded at reel 013630, frame 0427, attachment to the May 17, 2004 Petition.

2. a copy of an assignment from Ringfree Company Ltd. to Ringfree International Corporation (a subsequent assignment), the assignee seeking to conduct prosecution pursuant to § 3.71, and a reference to a reel and frame number where the subsequent assignment is recorded.

The May 17, 2004 Petition³ to Void Assignment, submitted by a practitioner representing the inventors,⁴ requests that the Office “void and nullify” both assignments used to support the June 30, 2003 revocation and appointment of a power of attorney.⁵ The argument presented, however, only relates to the “subsequent assignment,”⁶ which is the assignment from Ringfree Company Ltd. to Ringfree International Corporation. It is asserted that the “subsequent assignment” was “fraudulently procured” and is the subject of pending litigation in the Republic of Korea.

It is further asserted that the inventorship requires correction by the addition of four inventors.⁷ A reference is made to four affidavits by the four alleged additional inventors concerning inventorship. Four attached affidavits by these alleged inventors state that since (the subsequent) transfer to Ringfree-International Corp. was “made without any agreement and signing of the undersigned inventors upon the transfer, it is gravely disqualified.” The inventors to be added call for the “transfer record of the U.S. Patent and Trademark Office ... be deleted and abolished”

III. Decision on Petition to Void Assignment

It appears that petitioner is first explicitly requesting that the assignment records of the Office be either expunged of the “subsequent assignment” (from Ringfree Company Ltd. To Ringfree International Corporation), or that some indication be placed on or with the “subsequent assignment” to note that it is void or has been nullified. If such action were taken, it could presumably be used by petitioner in an effort to justify its second *sub silentio* request that the June 30, 2003 revocation of power of attorney and appointment of a new power of attorney be rescinded as not supported by appropriate documentary evidence.

The petition will therefore be treated as a petition under 37 CFR 1.181(a)(3) as a request for supervisory review of: (1) recording the subsequent assignment, and (2) the May 18, 2004 actions of revoking the initial (inventors’) power of attorney and granting the later (assignee) power of attorney. As no argument of invalidity has been presented in regard to the initial assignment, its recording and reliance upon to support the § 3.71 action by the assignee is not contested.

Timeliness of Petition: Preliminarily, 37 CFR 1.181(f) provides that “[a]ny petition under this part not filed within two months of the mailing date of the action or notice from which relief is

³A \$130 petition fee was stated to be submitted pursuant to § 1.17(h).

⁴The practitioner, Amit Sheth, was not listed in the power granted in the original § 1.63 declaration, although the firm the practitioner is a member of, Lee, Hong, Degermen, Kang & Schmadeka, is somewhat similar to the firm the initially named practitioner were members of, Lee & Hong P.C.

⁵Page 1 of the Petition, first paragraph.

⁶Page 2 of the Petition, paragraphs 1 and 3.

⁷Page 2 of the Petition, second paragraph.

requested may be dismissed as untimely” The actions by the Office complained of are the Office’s recording of the subsequent assignment (from Ringfree Company Ltd. To Ringfree International Corporation) on February 10, 2003,⁸ and presumably the May 18, 2004 notifications regarding the revocation and granting of a power of attorney. As the February 10, 2003 recording of the subsequent assignment was more than two months prior to the May 17, 2004 petition, the petition is untimely in regard to the recording of the subsequent assignment. The May 17, 2004 petition on behalf of the inventors curiously also results in a complaint of an Office action on May 18, 2004 (the mailing of the power of attorney notifications) that occurred subsequent to the petition. As it does not appear from the record that the inventors had knowledge of the June 30, 2003 revocation and appointment more than two months prior to the May 18, 2004 notifications mailed by the Office,⁹ the May 17, 2004 petition will be treated as timely in regard to any requested review of the June 30, 2003 revocation and appointment.

Relief Requested as To Recorded Assignments: As pointed out, the May 17, 2004 petition in-part seeks review of the Office’s recordation of the “subsequent assignment” from Ringfree Company Ltd. to Ringfree International Corporation. Since the petition is not timely as to the relief requested with respect to the “subsequent assignment” being voided (for the reasons given immediately above), the petition is dismissed as to that avenue of relief.

The following information is further to be noted:

The recordation of assignments by the Office is “merely a ministerial act; it is not an Office determination of the validity of the assignment document nor the effect of the assignment document on the ownership of the patent property.” MPEP 301, V., Making the Assignment of Record. Thus, the Office will not give effect to any challenge to the validity of an assignment and to requests that the assignment be voided and nullified for the purpose of recording an assignment.¹⁰ Thus, even had the petition been timely as to this aspect of relief requested, such relief would not have been available.

As pointed out above, petitioner asserts that the “subsequent assignment” was “fraudulently procured” and is the subject of pending litigation in the Republic of Korea. Should such litigation be resolved favorably to petitioner, petitioner would be free to record the decision rendered in the Republic Korea litigation, if it is deemed to bear on the ownership issue.

Relief Requested as To Prosecution by Assignee: As pointed out, the May 17, 2004 petition in-part appears to request review of the Office’s permitting Ringfree International Corporation to conduct prosecution pursuant to § 3.71 based on impropriety of documentary evidence provided pursuant to § 3.73(b), more specifically the “subsequent assignment” from Ringtone Company Ltd. to Ringtone International Corporation.

Although the Office will not make a substantive determination of the effectiveness of an

⁸Copy of subsequent assignment attached to the Petition, reel 013739, frame 0194.

⁹For example, there is no indication in the record that the assignee served the § 3.71 papers on the inventors or otherwise informed them of its intentions or the filing of the § 3.71 papers.

¹⁰MPEP 323.01(d) and the references therein to MPEP 323.01(a)(c) relate to the expungement of the link between an assignment record and an application due to typographical errors on the part of the party submitting the assignment, which is not the case herein.

assignment for the purpose of recording an assignment, the Office "[w]hen necessary ... will determine what effect a[n assignment] document has, including whether a party has the authority to take an action in a matter pending before the Office." MPEP 317.03.

Pursuant to MPEP 324, part IX:

"Generally, where there are two or more conflicting 37 CFR 3.73(b) statements in an application, the ownership entity that filed that application will be permitted to conduct the prosecution, and the other party that submitted a 37 CFR 3.73(b) statement to establish its ownership may wish to consider filing an application under 37 CFR 1.47."

On their face, the June 30, 2003 papers revoking power of attorney and granting a new power of attorney based on Ringtone International Corporation being the assignee of the entire right, title and interest of the instant application appear appropriate and compliant with the requirements of §§ 3.71 and 3.73, to permit the current assignee Ringfree International Corporation to conduct prosecution and appoint a power of attorney. Accordingly, the Office on May 18, 2004, based on the June 30, 2003 Revocation, mailed a NOTICE REGARDING CHANGE IN POWER OF ATTORNEY noting the loss of power of attorney to the practitioners in the office of Lee & Hong (appointed by the inventors) and mailed a NOTICE OF ACCEPTANCE OF POWER OF ATTORNEY to practitioners in the office of Liu & Liu (appointed by the assignee). A review of Office PALM data reveals that power of attorney is currently given to Wen Liu and Jason Truong with a correspondence address to Liu & Liu based on the June 30, 2003 revocation of power of attorney and appointment of a new power of attorney.

The inventors are now, however, challenging the right to ownership of the present patent application property, stating that they own the present patent application property. Inventors are the *de facto* owners of the property where they have not assigned away the rights thereto. Accordingly, if indeed the inventors have not assigned away their property rights, there would be no need for a 37 CFR 3.73(b) statement, and the inventors would stand in the position stated MPEP 324, part IX to provide a conflicting statement of ownership despite the absence of a 37 CFR 3.73(b) statement. Given that the instant national stage 35 U.S.C. 371 application papers included a Declaration and Power of Attorney pursuant to § 1.63 signed by the two named inventors, appointing in-part to Jonathan Y. Kang of Lee & Hong P.C., the application can be stated to have been filed at least in part by the inventors. Accordingly, the inventorship-ownership entity that filed that application would ordinarily be permitted to conduct the prosecution, and the assignee that submitted a 37 CFR 3.73(b) statement to establish its ownership would be permitted to file its own application under 37 CFR 1.47.

In this instance, however, the inventors have not established any present ownership rights in the application property. No argument has been presented that the initial assignment from the two original named inventors, Rhee and Hong to RINGFREE CO., LTD is invalid. Although the instant petition requests alternative or additional relief of the voiding of the assignment from the two inventors to Ringfree Company Limited,¹¹ no argument is presented to support that request for relief.¹² Absent such an argument, *and a reasonable basis to support the argument*, it must be

¹¹ Petition at page 1, first paragraph, second sentence.

¹² Although petitioner has alleged that there may be four additional inventors, who petitioner would argue not to have participated in the original assignment, these alleged inventors are not named inventors, and as such have no rights in controlling prosecution. It is only the two named inventors that control, and they have assigned their rights away.

concluded that the inventors are not the owners of the instant application property. Thus, the June 30, 2003 papers are the only papers in the application filed by a party that has established its ownership in the application property. Accordingly, Ringfree International Corporation is entitled to conduct prosecution and appoint a power of attorney. Thus, the petition as it relates to the current power of attorney in the instant application is dismissed.¹³

Additional Points of Note: As to the request for review of the May 18, 2004 notices regarding revocation and grant of a power of attorney based on the effectiveness of the subsequent assignment,¹⁴ the following is to be noted:

1. The statement by counsel that the "subsequent assignment" was fraudulently procured is a mere allegation unsupported by facts.
2. The statement by the four individuals alleged to be inventors that the transfer was made without the agreement of these individuals is ineffective, as their agreement would not be required until such time as these individuals were actually established as named inventors; yet, it has not even been established by factual evidence that these individuals deserved to be named as inventors. The allegation that there may be four additional inventors is not a determining factor as to the existence of an appropriate assignee,¹⁵ until such inventors are in fact added to the application, by an appropriate request for correction of the inventorship entity and an Office grant of that request.^{16 17}

¹³ The request for a phone call should the petition be found to be inadequately supported is noted, however, in view of the issues presented and the lack of any basis to overturn the acceptance of the current power of attorney given by the assignee, such phone call is not seen to be productive.

¹⁴ There is no allegation that the "subsequent assignment" was not signed by an appropriate party, nor are there any facts set forth attacking the initial assignment.

¹⁵ Or as to the involvement of an assignee in the prosecution of an application.

¹⁶ See, for example, MPEP 201.03, II., D., Written Consent of Assignee. Where a correction of inventorship is requested, only the written consent thereto of the original named inventors is required and not of inventors to be added.

¹⁷ The allegation of the existence of four unnamed inventors can, however, present an issue pursuant to 35 U.S.C. 102(f) until such time that either (a) it is clarified that the party controlling prosecution believes that the inventorship need not be corrected, or (b) a request for correction of inventorship pursuant to § 1.48(a) is filed. This would be an issue for the examiner to review and determine whether, for example, it would be appropriate to issue (1) a provisional rejection under 35 U.S.C. 102(f) based on the statements in the four affidavits attached to the May 17, 2004 Petition (giving the assignee the opportunity to rebut), or (2) a requirement for information pursuant to 37 CFR 1.105 based on the statements in the four affidavits. It is noted that the petition appears to imply that it would not be possible for the assignee to consent to inventorship correction due to the pending litigation in the Republic of Korea.

3. The existence of pending litigation in the Republic Korea, as alleged by counsel, has not been established, nor has any of the issues or facts established therein been made of record and cannot support an attack on the validity of the "subsequent assignment." Moreover, at best, the litigation is apparently still pending and final findings of fact and law have not been made.

IV. Correspondence Address

The current correspondence address of record, which address appears in Office PALM data, was set by the June 30, 2003 revocation and appointment of power of attorney and is:

Wen Liu
Liu & Liu
811 West Seventh Street; Suite 1100
Los Angeles, California 90017

It is noted that the October 26, 2005 decision ON PETITION was mailed to the following address, which address was present in an April 13, 2004 petition by the assignee of record to revive the application:

LIU & LIU
444 S. Flower Street
Suite 1750
Los Angeles, CA 90071

As a courtesy, the instant decision is being mailed to both assignee addresses. All future papers will be mailed to the correspondence address of record, which is the West Seventh Street address absent an explicit change in correspondence address to the Flower Street address.

V. Conclusion

1. The May 17, 2004 petition is dismissed.
2. A decision to withdraw the notice of abandonment in the application is being mailed on even date.
3. Telephone inquiries related to this decision should be directed to the undersigned, at 571-272-7707, or in his absence to Kenneth M. Schor at 571-272-7710.



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